



WORKFORCE OBSERVATIONS

State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

FOR MILWAUKEE/WOW COUNTIES

MILWAUKEE, WASHINGTON, OZAUKEE AND WAUKESHA COUNTIES

AUGUST 2004

JULY CONTINUES TREND OF LOWER UNEMPLOYMENT RATES

Milwaukee County's unemployment rate in July registered 6.4 percent. This is an improvement from the seven percent clip shown in June and is considerably lower than the rate in July 2003, which was 7.9 percent. At this time, Milwaukee County shows over 8,500 more employed and over 7,000 fewer unemployed compared to last July.

Washington County also improved its unemployment rate in July dipping below the four percent mark to 3.9 percent. This is lower than June's rate by seven-tenths of a percentage point and is over one full percent point lower than last July's rate of 5.0 percent.

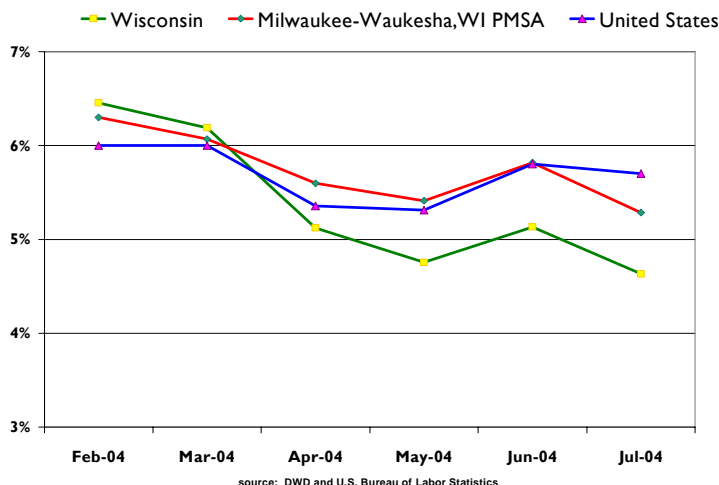
Ozaukee County's unemployment rate in July was 2.9 percent. This is the lowest unemployment

rate for Ozaukee in quite some time and is the first time that Ozaukee County has dipped below the three percent mark since September 2001. Ozaukee not only shows the lowest unemployment rate of the four metro counties in July, but it also shows the largest annual rate decrease, 1.7 percent points as there are approximately 900 more employed and 900 fewer unemployed residents.

Waukesha County's unemployment rate in July, 3.7 percent, was lower than last month's and last July's by three-tenths of a percentage point and one percent point, respectively. Waukesha's unemployment rate showed the smallest annual decrease of the four metro counties and yet was still lower by a full percent point emphasizing the improvement in 2004 year to date.

July's unemployment rate (not seasonally adjusted) in the **Milwaukee-Waukesha MSA** was 5.3 percent, an improvement com-

Six-Month Unemployment Rate Watch



Civilian Labor Force Estimates for Milwaukee-Waukesha MSA counties: July 2004

	Wisconsin			Milwaukee-Waukesha MSA			Milwaukee County		
	Jul-04	Jun-04	Jul-03	Jul-04	Jun-04	Jul-03	Jul-04	Jun-04	Jul-03
Labor force	3,175,541	3,175,261	3,155,841	848,468	849,945	844,833	502,696	503,887	501,210
Employed	3,028,420	3,012,282	2,975,892	803,620	800,488	789,029	470,356	468,523	461,816
Unemployed	147,121	162,979	179,949	44,848	49,457	55,804	32,340	35,364	39,394
% Unemployed	4.6%	5.1%	5.7%	5.3%	5.8%	6.6%	6.4%	7.0%	7.9%
	Washington County			Ozaukee County			Waukesha County		
	Jul-04	Jun-04	Jul-03	Jul-04	Jun-04	Jul-03	Jul-04	Jun-04	Jul-03
Labor force	71,845	72,120	71,340	50,003	50,052	50,008	223,923	223,885	222,274
Employed	69,040	68,771	67,786	48,565	48,376	47,683	215,659	214,818	211,743
Unemployed	2,805	3,349	3,554	1,438	1,676	2,325	8,264	9,067	10,531
% Unemployed	3.9%	4.6%	5.0%	2.9%	3.3%	4.6%	3.7%	4.0%	4.7%

Source: U.S. Bureau of Labor Statistics and DWD, Local Area Unemployment Statistics. Figures are not seasonally adjusted and current month's data are preliminary

Industry Employment Estimates for the Milwaukee-Waukesha MSA: July 2004

Place of Work Employment in 1,000's	Wisconsin			Milwaukee-Waukesha MSA		
	July 2004	Change since June 2004	Change since July 2003	July 2004	Change since June 2004	Change since July 2003
All Industries	2,846.4	-22.4	48.8	844.2	-7.0	12.4
Construction/Natural Resources	143.2	4.9	3.2	34.0	1.0	-2.6
Manufacturing	523.7	5.6	12.0	136.6	-0.2	1.2
Retail Trade	326.0	-0.9	4.9	81.1	0.5	0.4
Wholesale Trade	118.7	-0.7	4.4	41.4	0.1	1.3
Transport/Warehouse/Utilities	105.4	-2.7	-0.2	31.2	-0.4	1.1
Financial Activities	161.6	0.6	2.6	62.2	0.7	2.4
Education and Health Services	375.8	2.0	10.9	133.0	0.5	4.6
Leisure and Hospitality	272.2	1.6	4.3	73.7	0.0	3.1
Info./Prof./Bus.and Other Services	443.3	0.5	12.2	168.4	1.3	2.6
Information	48.2	-0.4	-2.0	19.4	0.0	0.8
Professional and Business Services	266.3	3.8	16.9	109.7	1.4	3.8
Other Services	128.8	-2.9	-2.7	39.3	-0.1	-2.0
Fed/State/Local Government	376.5	-33.3	-5.5	82.6	-10.5	-1.7

Source: U.S. Bureau of Labor Statistics and DWD, Current Employment Statistics. Figures are rounded and may not sum to total. Current month's figures are preliminary

pared to June's rate of 5.8 percent. It is also the lowest unemployment rate registered in 2004, year to date. Annually, the unemployment rate is lower than that of July 2003 given that all four metro counties are considerably lower than they were one year ago. The current metro unemployment rate is 1.3 percent points lower than in July 2003. This lower unemployment rate represents almost 14,600 more employed residents and 11,000 fewer unemployed.

Industry sector employment data from the nonfarm wage and salary employment survey show a total of 844,200 jobs in the metro area. This employment total is 7,000 jobs smaller than June's total tally. This decline is actually quite seasonal and expected as it is reflective of large declines in government employment, the majority being local school districts and public universities staff, as a decrease of 10,500 jobs happened between June and July. Three other sectors showed monthly employment decreases: other services, -100 jobs; transportation, warehousing and utilities, -400 jobs; and manufacturing, -200 jobs

Positive employment strides over the

month were made in the remaining industry sectors. The largest employment gains were measured in professional and business services, 1,400 jobs; construction, 1,000 jobs; financial activities, 700 jobs; education and health services, 500 jobs; and retail trade, 500 jobs.

The annual change of the industry sectors is a more optimal way of examining the labor economy compared to monthly changes. The annual industry employment total has improved in almost every month in 2004 and at this time the total figure is 12,400 jobs higher compared to July 2003. The steady improvement in the Milwaukee-Waukesha metro shows that recovery in the economy is in an early phase given the fact that this is the fourth month in a row to show annual job growth. This is reflective of the fact that economic recovery is a gradual process. It also indicates that annual employment growth in the metro area is certainly encouraging and that the comparison to a softer labor market in 2003 reinforces the fact that the Milwaukee area needs to maintain the healthier job-growth pace that it is currently seeing in 2004.

Almost every industry sector in the metro area has shown employment growth in the last year. The largest employment gain was seen in education and health services with 4,600 more jobs. Professional and business services gained 3,800 more jobs. Leisure and hospitality showed a gain of 3,100 jobs. Financial activities showed a gain of 2,400 jobs. Two closely related industries, manufacturing and wholesale trade gained 1,200 and 1,300 jobs, respectively.

Three industry sectors at this time show an annual loss of employment. Construction and natural resources had 2,600 fewer jobs. Other services had 2,000 fewer jobs. Total government employment shows 1,700 fewer jobs compared to July 2003.

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